

State of Utah DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER

Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA Division Director

May 14, 2008

Jay Marshall, Resident Agent Utah American Energy Inc. P.O. Box 986 Price, Utah 84501

Subject: Golden Eagle And Rocky Mountain Sheep Exclusionary Period Implementation Plan and Raptor Surveys, Lila Canyon Extension, UtahAmerican Energy, Inc. (UEI), Horse Canyon Mine, C/007/0013, Outgoing File

Dear Mr. Marshall:

The results of the raptor surveys conducted on March 17 and April16 2008 indicated that there is a nesting pair of Golden Eagles on Nest site # 947. At this time the positive finding of nesting Golden Eagles at the site precludes any construction activities at the site until the end of the exclusionary period, (July 15, 2008) and also eliminates the need for the two additional surveys as outlined in the Golden Eagle and Rocky Mountain Sheep Exclusionary Period Implementation Plan for the proposed Lila Canyon project through the exclusionary period.

VARIANCES

Golden Eagle:

If you are interested in conducting activities at the site prior to July 15th a variance to the exclusionary period is required. To issue a variance the BLM, USFWS, DWR and DOGM would need survey data from May, June or July regarding the status/fate of the nest, (e.g. that the young have fledged and are no longer dependent on the nest). Based on the results of the survey the respective agencies, (USFWS, BLM, DWR, and DOGM), would consider a request for a variance from the exclusionary period.

Rocky Mountain Bighorn Sheep

If you are interested in conducting activities at the site prior to June 12th a variance to the exclusionary period would be required. The data from the March and April surveys would be of value in assisting the DWR and the DOGM in making their determination.



Page 2 Jay Marshall May 14, 2008

Raptor Surveys:

The following information is described as a commitment and condition #3 in your Mining and Reclamation Plan. It describes your commitment to conduct annual aerial raptor surveys. Based on the survey information to date an aerial survey for nest # 947 would not be required this year.

Title: Raptor fly-over survey.

Objective: Survey all raptor habitat and nests.

Frequency: Annually.

Status: On going starting in 2005.

Reports: Annual Reports (Confidential Incoming).

Citation: MRP-Part B, Sec. 322.220, p. 10; Sec. 330, p. 20; Sec 358.100 p. 38; Condition

#3.

If you have any questions, please call me at (801) 538-5325 or Joe Helfrich at (801) 538-5290.

Sincerely,

Daron R. Haddock Permit Supervisor

an cc:

Jim Kohler, BLM
Jeff McKenzie BLM
Mike Stiewig BLM
Mike Robinson BLM
Steve Rigby BLM
Sue Wiler BLM
Dave Waller BLM
Derris Jones EIS
Pete Hess DOGM
Betsy Herrmann, FWS
Nathan Darnall FWS
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